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Tidewater has no authority to cut without either licence or permits. The contract with the Indians cannot give them authority to enter the Reserve or cut timber thereon. If the Indians back out of their contract, the Company has no recourse except possibly an unenforceable claim against the Indians who signed the contract. It seems that the Tidewater Company is in a precarious position.

If the Indians do not wish to carry out the contract with Tidewater, by taking permits for the cutting of the timber, then Tidewater should be immediately advised that they must remove from the Reserve and leave all timber that has been cut. The Band should then be asked if they want to surrender the timber and let the Department sell it. ✓

The standing value of the timber is what you can get for it on the stump. The best measure is - if there is a recent provincial contract on adjoining timber, the total of stumpage and royalty paid by the purchaser. Failing that, the Superintendent has to use his best judgment in fixing dues at what he considers the timber would bring if it were offered for sale. There is usually a profit in the logging operation.

*W. M. Mackenzie*  
Director.

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RG 10, C-II-2, Vol. 11073  
File/dossier 159/20-7-16-2

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